

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

CAUSE NUMBER: 9292-CO10-0624-007

IN THE MATTER OF:

U.S. Specialty Insurance Company
Respondent,

13403 Northwest Freeway
Houston , TX 77040-6094

NAIC No.: 29599

FILED

NOV 05 2010

STATE OF INDIANA
DEPT. OF INSURANCE

FINAL ORDER

The Indiana Department of Insurance ("Department") and U.S. Specialty Insurance Company, ("Respondent") an insurance company authorized to conduct business in the State of Indiana, signed an Agreed Entry which purports to resolve all issues involved in the actions by the Department regarding Respondent's Certificate of Authority, and which has been submitted to the Commissioner of Insurance ("Commissioner") for approval.

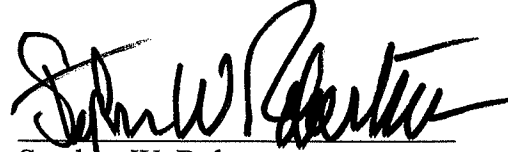
The Commissioner, after reviewing the Agreed Entry, finds it has been entered into fairly and without fraud, duress or undue influence, and is fair and equitable between the parties. The Commissioner hereby incorporates the Agreed Entry as if fully set forth herein, and approves and adopts in full the Agreed Entry as attached as Exhibit A as a resolution of this matter.

IT IS THEREFORE ORDERED, by the Commissioner of Insurance:

1. Respondent will pay an administrative fine in the amount of Two Thousand Five Hundred Dollars (\$2,500.00). This amount is payable within thirty (30) days of this Final Order.

2. The Department agrees to accept Respondent's compliance with the terms of this agreement as full and final resolution of this matter.

ALL OF WHICH IS ORDERED this 5th day of November, 2010.



Stephen W. Robertson,
Commissioner
Indiana Department of Insurance

Distribution:

Nikolas P. Mann.
Indiana Department of Insurance
311 West Washington Street, Suite 300
Indianapolis, Indiana 46204-2787

U.S. Specialty Insurance Company
Attn: Joycelyn M. Ray
13403 Northwest Freeway
Houston, TX 77040-6094

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AGREED ENTRY

This Agreed Entry is executed by Nikolas P. Mann, Attorney for and on behalf of the State of Indiana, Indiana Department of Insurance ("Department"), and U.S. Specialty Insurance Company ("Respondent"), an insurance company with a certificate of authority to do business in Indiana, to resolve all issues in the above-referenced cause number. This Agreed Entry is subject to the review and approval of Stephen W. Robertson, Commissioner of the Indiana Department of Insurance ("Commissioner").

WHEREAS, Respondent is a Texas domiciled insurance company with a statutory home office located in the State of Texas and is authorized to do business in the State of Indiana; and,

WHEREAS, the Department received a complaint from an Indiana resident regarding Respondent's handling of a claim; and,

WHEREAS, the Department and Respondent desire to resolve their differences and settle the issues without the necessity of a hearing;


IT IS, THEREFORE, NOW AGREED by and between the parties as follows:

1. The Commissioner has jurisdiction over the subject matter and Respondent in this administrative action.

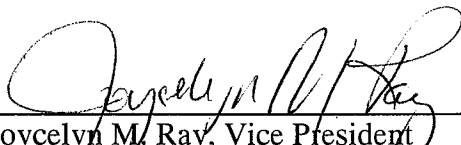
2. This Agreed Entry is executed voluntarily by the parties.
3. Respondent voluntarily and freely waives the right to a public hearing concerning issues arising in connection with this Agreed Entry.
4. Respondent voluntarily and freely waives the right to judicial review of this Agreed Entry.
5. The Department alleges that Respondent's claims handling on a liability claim submitted under Claim Number IN6 142367 violated Indiana Code § 27-4-1-4.5(3) and Indiana Code § 27-4-1-4.5(4).
6. Respondent does not admit any wrongdoing.
7. Respondent will pay an administrative fine in the amount of Two Thousand Five Hundred Dollars (\$2,500.00). This amount is payable within thirty (30) days of the Commissioner's Final Order.
8. The Department agrees to accept Respondent's compliance with the terms of this Agreed Entry as full and final resolution of this matter.
9. Respondent has carefully read and examined this Agreed Entry and fully understands its terms.
10. Respondent has been represented by counsel, Shaun Healy Clifford, Baker & Daniels LLP, throughout this matter.

10/25/10
Date Signed

10/15/10
Date Signed



Nikolas P. Mann, Attorney
Indiana Department of Insurance

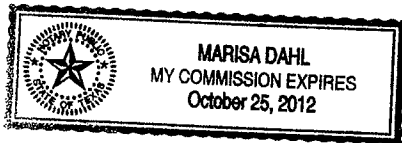


Joycelyn M. Ray, Vice President
U.S. Specialty Insurance Company

STATE OF TEXAS)
) SS:
COUNTY OF Harris)

Before me a Notary Public for Harris County, State of Texas, personally
appeared Joycelyn M. Ray, Vice President, U.S. Specialty Insurance Company, and being first duly
sworn by me upon her oath, says that the facts alleged in the foregoing instrument are true.

Signed and sealed this 15th day of October, 2010.



Marisa Dahl
Signature

Marisa Dahl
Printed

My Commissioner expires: 10/25/12

County of Residence: Harris